

**SHELBY COUNTY BOARD OF COMMISSIONERS
AGENDA ROUTE SHEET**

Referred to Commission Committee Public Works

For Commission Action on _____

DESCRIPTION OF ITEM:

RESOLUTION TO INCLUDE FUNDING IN THE FY 2008-2009 CIP BUDGET IN
THE AMOUNT OF \$1,200,000.00 FOR THE DESIGN AND CONSTRUCTION OF
A LOW PRESSURE SEWER SYSTEM IN THE COTTON CREEK AREA.
SPONSORED BY COMMISSIONER WYATT BUNKER.

CHECK ALL THAT APPLY BELOW:

☐ This Action does NOT require expenditure of funds.

☒ This Item requires/approves expenditure of funds as follows (complete all that apply):

County General Funds: \$ _____; County CIP Funds: \$ 1,200,000.00

State Grant Funds: \$ _____; State Gas Tax Funds: \$ _____

Federal Grant Funds: \$ _____

Other funds (Specify source and amount): \$ _____

Other pass-thru funds (Specify source and amount): \$ _____

Originating Department: Engineering

APPROVAL:

Dept. Head:	<u>Michael E. Oakes, P.E. – (901) 545-4332</u>	<u>MEO</u>	<u>6.12.08</u>
	(Type your name & phone #.)	(Initials)	(Date)
Elected Official:	<u>Commissioner Wyatt Bunker - (901) 545-4301</u>		
	(Type your name & phone #.)	(Initials)	(Date)
Division Director:	<u>Ted Fox - (901) 545-4565</u>	<u>MELVIN BOOTH</u>	<u>6/12/08</u>
	(Type your name & phone #.)	(Initials)	(Date)
CIP – A&F Director:	<u>Jim Huntzicker – (901) 545-4514</u>	<u>JH</u>	<u>6/12/08</u>
	(Type your name & phone #.)	(Initials)	(Date)
Finance Dept.	<u>Mike Swift – (901) 545-4449</u>	<u>MS</u>	<u>6/12/08</u>
	(Type your name & phone #.)	(Initials)	(Date)
County Attorney:	<u>Pam Skelton (901) 545-4362</u>	<u>OK</u>	<u>6/12/08</u>
	(Type your name & phone #.)	(Initials)	(Date)
CAO/Mayor:	<u>Jim Huntzicker – (901) 545-4514</u>	<u>JH</u>	<u>6/12/08</u>
	(Type your name & phone #.)	(Initials)	(Date)

SUMMARY SHEET

I. Description of Item

This item approves the inclusion of \$1,200,000.00 in the FY 2008-09 CIP Budget to design and construct a low pressure sewer system that will alleviate septic tank problems in the Cotton Creek area of southeast Shelby County.

II. Source and Amount of Funding

Funding in the amount of \$67,113.16 was appropriated in the FY 2006-07 Budget to perform an engineering study of the Cotton Creek area. The estimated design and construction costs including capital reimbursements to Spring Creek Ranch, LLC are proposed as follows in the FY 2008-09 CIP Budget:

FY 2008-2009 PROPOSED CIP BUDGET FOR COTTON CREEK SEWER

Allocation (Engineering Design)	\$ 135,000.00
Allocation (Construction Costs w/ Stanford Group reimbursements)	<u>1,065,000.00</u>
Balance	<u>\$1,200,000.00</u>

III. Additional Information Relevant to approval of this item

Analysis of the Cotton Creek area by the consultant team has confirmed the existence of widespread failing septic systems. Poor permeability soil rates, high ground water levels, and perched water are to blame for the problems.

AFRAM Corporation has evaluated the potential solutions. AFRAM considered the most efficient solution at the best cost to be the installation of a low pressure sewer system (LPSS) that utilizes the septic tanks for the removal of solids and conveys the liquid waste to the Town of Collierville Publicly Owned Treatment Works (POTW). In order to transport the sewage to Collierville, Shelby County will have to enter into an agreement with the Spring Creek Ranch, LLC to discharge into the collection system. As part of this agreement, Spring Creek Ranch, LLC is requesting payment from Shelby County in the amount of \$90,000.00 for capital costs incurred and a pro-rata share of a \$40,000.00 odor abatement liability assigned in the development agreement between Collierville and Spring Creek Ranch, LLC. A second agreement between Shelby County and the Town of Collierville for acceptance and treatment of the liquid waste will be submitted for approval as a companion resolution item. The amendment to the AFRAM contract to produce the construction documents will accompany the Collierville and Stanford Group agreements.

The \$1.2 million dollar budget estimate includes design and construction of the LPSS as well as the Spring Creek Ranch, LLC reimbursements. The system users will be responsible for paying the connection fee to the Town of Collierville along with a monthly sewer fee for treatment.

Item # _____

Prepared by: Darren Sanders
Engineering

Commissioner _____

Approved by [Signature]
County Attorney

RESOLUTION TO INCLUDE FUNDING IN THE FY 2008-2009 CIP BUDGET IN THE AMOUNT OF \$1,200,000.00 FOR THE DESIGN AND CONSTRUCTION OF A LOW PRESSURE SEWER SYSTEM IN THE COTTON CREEK AREA. SPONSORED BY COMMISSIONER WYATT BUNKER.

WHEREAS, The County has received reports of failing septic systems from some residents in the subdivisions of Kirkland Estates, Cotton Creek, and Fox Hollow Farms (Phases I and II) in the general area known as Cotton Creek; and

WHEREAS, The AFRAM Corporation has been retained by Shelby County Government and has performed an independent engineering study of the Cotton Creek area that confirms the existence of some septic system failures due to low soil permeability rates and saturated conditions; and

WHEREAS, It has been determined that a low pressure sewer system (LPSS) is the most cost effective manner to collect and transport the wastewater from the lots to the Town of Collierville Publicly Owned Treatment Works (POTW); and

WHEREAS, Shelby County has developed a draft agreement with the Town of Collierville to treat the liquid waste subject to the approval of the Shelby County Board of Commissioners and the Collierville Board of Mayor and Aldermen; and

WHEREAS, Shelby County has developed a draft agreement, subject to the approval of the Shelby County Board of Commissioners, with the Stanford Group in its capacity as operator of the Spring Creek Ranch Country Club to permit connection of the LPSS to a lift (pump) station owned and operated by the Town of Collierville to which Stanford Group holds capacity rights and obligations; and

WHEREAS, Amendments to the AFRAM Corporation contract with the County, CA#074509, to provide for the design of the LPSS will be submitted for approval in conjunction with the Collierville and Stanford Group agreements; and

WHEREAS, Shelby County is budgeting \$1,200,000.00 in capital funds necessary for the design and construction of the LPSS, which includes a capital reimbursement of \$90,000.00 and a pro-rata share of \$40,000.00 for an odor abatement liability incurred by Spring Creek Ranch, LLC; and

WHEREAS, The system users will not be required to reimburse the County for this \$1,200,000.00 capital improvement project; and

WHEREAS, The County is only responsible for design and construction of the LPSS; and

WHEREAS, The future operation and maintenance of the LPSS will be the responsibility of the Town of Collierville and the system users; and

WHEREAS, The system users shall be responsible for the connection fees and the sewer treatment fees established by the Town of Collierville; and

WHEREAS, It is necessary to provide funding in the FY 2008-2009 CIP Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funding is hereby included in the FY 2008-2009 CIP Budget in the amount of \$1,200,000.00 for the design and construction of a low pressure sewer system in the Cotton Creek area of Shelby County, subject to the Shelby County Board of Commissioners' approval of agreements between the County and the Town of Collierville and the County and the Stanford Group.

A C Wharton, Jr., Mayor

Date _____

ATTEST:

Clerk of the County Commission

ADOPTED _____